# QUARTERLY REPORT

LICENSEE <u>TRUMP MARINA ASSOCIATES, LLC</u>

**FOR THE QUARTER ENDED SEPTEMBER 30, 2005**

TO THE
CASINO CONTROL COMMISSION
OF THE
STATE OF NEW JERSEY

TRADING NAME OF LICENSEE TRUMP MARINA HOTEL · CASINO

# BALANCE SHEETS

AS OF SEPTEMBER 30, 2005 and 2004

(UNAUDITED)
($ IN THOUSANDS)

| LINE (a) | DESCRIPTION (b) | | 2005 (c) | 2004 (d) |
|---|---|---|---|---|
| | **ASSETS** | | | |
| | Current Assets: | | | |
| 1 | Cash and Cash Equivalents | | $30,406 | $23,564 |
| 2 | Short-Term Investments | | -- | -- |
| 3 | Receivables and Patrons' Checks (Net of Allowance for Doubtful Accounts - 2005, $2,414; 2004, $2,055) | | 9,100 | 9,176 |
| 4 | Inventories | | 2,681 | 2,699 |
| 5 | Prepaid Expenses and Other Current Assets | | 3,416 | 2,980 |
| 6 | Total Current Assets | | 45,603 | 38,419 |
| 7 | Investments, Advances, and Receivables | | 8,142 | 6,390 |
| 8 | Property and Equipment - Gross | (Notes 2 & 3) | 335,559 | 588,003 |
| 9 | Less: Accumulated Depreciation and Amortization | (Notes 2 & 3) | (4,546) | (142,215) |
| 10 | Property and Equipment - Net | (Notes 2 & 3) | 331,013 | 445,788 |
| 11 | Other Assets | (Notes 2 & 3) | 93,661 | 15,704 |
| 12 | Total Assets | | $478,419 | $506,301 |
| | **LIABILITIES AND EQUITY** | | | |
| | Current Liabilities: | | | |
| 13 | Accounts Payable | | $4,837 | $11,069 |
| 14 | Notes Payable | | -- | -- |
| | Current Portion of Long-Term Debt: | | | |
| 15 | Due to Affiliates | | -- | -- |
| 16 | Other | (Note 4) | 7,958 | 7,235 |
| 17 | Income Taxes Payable and Accrued | (Note 8) | 4,307 | 3,177 |
| 18 | Other Accrued Expenses | | 12,850 | 12,376 |
| 19 | Other Current Liabilities | (Note 5) | 11,637 | 22,240 |
| 20 | Total Current Liabilities | | 41,589 | 56,097 |
| | Long-Term Debt: | | | |
| 21 | Due to Affiliates | (Notes 2, 3, & 4) | 237,500 | 340,470 |
| 22 | Other | (Note 4) | 2,607 | 7,785 |
| 23 | Deferred Credits | | -- | -- |
| 24 | Other Liabilities | | 1,422 | 1,313 |
| 25 | Commitments And Contingencies | (Note 6) | | |
| 26 | Total Liabilities | | 283,118 | 405,665 |
| 27 | Stockholders', Partners', Or Proprietor's Equity | (Notes 2, 3, & 11) | 195,301 | 100,636 |
| 28 | Total Liabilities and Equity | | $478,419 | $506,301 |

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE TRUMP MARINA HOTEL · CASINO

# STATEMENTS OF INCOME

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2005 and 2004

(UNAUDITED)
($ IN THOUSANDS)

| LINE (a) | DESCRIPTION (b) | 2005 (c) | 2004 (d) |
|---|---|---|---|
| | Revenue: | | |
| 1 | Casino | $195,290 | $198,990 |
| 2 | Rooms | 13,807 | 14,055 |
| 3 | Food and Beverage | 23,710 | 25,005 |
| 4 | Other | 8,529 | 9,154 |
| 5 | Total Revenue | 241,336 | 247,204 |
| 6 | Less: Promotional Allowances | 53,472 | 56,667 |
| 7 | Net Revenue | 187,864 | 190,537 |
| | Costs And Expenses: | | |
| 8 | Cost of Goods and Services | 113,257 | 115,107 |
| 9 | Selling, General, and Administrative | 32,391 | 32,534 |
| 10 | Provision for Doubtful Accounts | 865 | 922 |
| 11 | Total Costs and Expenses | 146,513 | 148,563 |
| 12 | Gross Operating Profit | 41,351 | 41,974 |
| 13 | Depreciation and Amortization | 13,124 | 16,306 |
| | Charges from Affiliates Other than Interest: | | |
| 14 | Management Fees | -- | -- |
| 15 | Other (Note 5) | 2,526 | 2,806 |
| 16 | Income (Loss) From Operations | 25,701 | 22,862 |
| | Other Income (Expenses): | | |
| 17 | Interest (Expense) - Affiliates (Notes 2, 3, & 4) | (24,110) | (33,038) |
| 18 | Interest (Expense) - External (Note 4) | (1,117) | (1,291) |
| 19 | Investment Alternative Tax and Related Income (Expense) - Net | (807) | (837) |
| 20 | Nonoperating Income (Expense) - Net (Notes 2 & 9) | (41,687) | 117 |
| 21 | Total Other Income (Expenses) | (67,721) | (35,049) |
| 22 | Income (Loss) Before Income Taxes And Extraordinary Items | (42,020) | (12,187) |
| 23 | Provision (Credit) for Income Taxes (Note 8) | 1,123 | 1,115 |
| 24 | Income (Loss) Before Extraordinary Items | (43,143) | (13,302) |
| 25 | Extraordinary Items (Net of Income Taxes) (Note 10) | (23,834) | -- |
| 26 | Net Income (Loss) | ($66,977) | ($13,302) |

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE TRUMP MARINA HOTEL · CASINO

# STATEMENTS OF INCOME

FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2005 and 2004

(UNAUDITED)
($ IN THOUSANDS)

| LINE (a) | DESCRIPTION (b) | 2005 (c) | 2004 (d) |
|---|---|---|---|
| | Revenue: | | |
| 1 | Casino | $66,867 | $71,761 |
| 2 | Rooms | 5,357 | 5,286 |
| 3 | Food and Beverage | 8,413 | 9,888 |
| 4 | Other | 3,804 | 3,835 |
| 5 | Total Revenue | 84,441 | 90,770 |
| 6 | Less: Promotional Allowances | 15,895 | 20,734 |
| 7 | Net Revenue | 68,546 | 70,036 |
| | Costs And Expenses: | | |
| 8 | Cost of Goods and Services | 39,940 | 40,952 |
| 9 | Selling, General, and Administrative | 11,243 | 11,316 |
| 10 | Provision for Doubtful Accounts | 426 | 258 |
| 11 | Total Costs and Expenses | 51,609 | 52,526 |
| 12 | Gross Operating Profit | 16,937 | 17,510 |
| 13 | Depreciation and Amortization | 3,509 | 5,265 |
| | Charges from Affiliates Other than Interest: | | |
| 14 | Management Fees | -- | -- |
| 15 | Other (Note 5) | 743 | 947 |
| 16 | Income (Loss) From Operations | 12,685 | 11,298 |
| | Other Income (Expenses): | | |
| 17 | Interest (Expense) - Affiliates (Notes 2, 3, & 4) | (4,923) | (11,246) |
| 18 | Interest (Expense) - External (Note 4) | (287) | (565) |
| 19 | Investment Alternative Tax and Related Income (Expense) - Net | (281) | (302) |
| 20 | Nonoperating Income (Expense) - Net (Notes 2 & 9) | 149 | 47 |
| 21 | Total Other Income (Expenses) | (5,342) | (12,066) |
| 22 | Income (Loss) Before Income Taxes And Extraordinary Items | 7,343 | (768) |
| 23 | Provision (Credit) for Income Taxes (Note 8) | 392 | 940 |
| 24 | Income (Loss) Before Extraordinary Items | 6,951 | (1,708) |
| 25 | Extraordinary Items (Net of Income Taxes) | -- | -- |
| 26 | Net Income (Loss) | $6,951 | ($1,708) |

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE TRUMP MARINA HOTEL · CASINO

# STATEMENTS OF CHANGES IN PARTNERS' OR PROPRIETOR'S EQUITY

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2004
AND THE NINE MONTHS ENDED SEPTEMBER 30, 2005

(UNAUDITED)
($ IN THOUSANDS)

| LINE (a) | Description (b) | Contributed Capital (c) | Accumulated Earnings (Deficit) (d) | (e) | Total Equity (Deficit) (f) |
|---|---|---|---|---|---|
| 1 | Balance, December 31, 2003 | $305,077 | ($191,139) | | $113,938 |
| 2 | Net Income (Loss) - 2004 | | (31,755) | | (31,755) |
| 3 | Capital Contributions | 7,167 | | | 7,167 |
| 4 | Capital Withdrawals | | | | |
| 5 | Partnership Distributions | (800) | | | (800) |
| 6 | Prior Period Adjustments | | | | |
| 7 | | | | | |
| 8 | | | | | |
| 9 | | | | | |
| 10 | Balance, December 31, 2004 | 311,444 | (222,894) | | 88,550 |
| 11 | Net Income (Loss) - 2005 | | (76,573) | | (76,573) |
| 12 | Capital Contributions | 173,837 | | | 173,837 |
| 13 | Capital Withdrawals | | | | |
| 14 | Partnership Distributions | | | | |
| 15 | Prior Period Adjustments | | | | |
| | Balance, May 19, 2005 | 485,281 | (299,467) | | 185,814 |
| 16 | | | | | |
| 17 | Capitalization of Company on May 19, 2005 | 185,814 | | | 185,814 |
| 18 | | | | | |
| 19 | Net Income (Loss) - May 20, 2005 through September 30, 2005 | | 9,596 | | 9,596 |
| 20 | Capital Contributions | 734 | | | 734 |
| 21 | Capital Withdrawals | (843) | | | (843) |
| 22 | Partnership Distributions | | | | |
| 23 | Prior Period Adjustments | | | | |
| 24 | | | | | |
| 25 | Balance, September 30, 2005 | $185,705 | $9,596 | | $195,301 |

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE TRUMP MARINA HOTEL · CASINO

# STATEMENTS OF CASH FLOWS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2005 and 2004

(UNAUDITED)
($ IN THOUSANDS)

| LINE (a) | DESCRIPTION (b) | 2005 (c) | 2004 (d) |
|---|---|---|---|
| 1 | NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES | $34,026 | $10,453 |
| | CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| 2 | Purchase of Short-Term Investment Securities | -- | -- |
| 3 | Proceeds from the Sale of Short-Term Investment Securities | -- | -- |
| 4 | Cash Outflows for Property and Equipment | (18,186) | (2,661) |
| 5 | Proceeds from Disposition of Property and Equipment | -- | -- |
| 6 | Purchase of Casino Reinvestment Obligations | (2,423) | (2,512) |
| 7 | Purchase of Other Investments and Loans/Advances made | -- | -- |
| 8 | Proceeds from Disposal of Investments and Collection of Advances and Long-Term Receivables | -- | -- |
| 9 | Cash Outflows to Acquire Business Entities | -- | -- |
| 10 | | -- | -- |
| 11 | | -- | -- |
| 12 | Net Cash Provided (Used) By Investing Activities | (20,609) | (5,173) |
| | CASH FLOWS FROM FINANCING ACTIVITIES: | | |
| 13 | Cash Proceeds from Issuance of Short-Term Debt | -- | -- |
| 14 | Payments to Settle Short-Term Debt | -- | -- |
| 15 | Cash Proceeds from Issuance of Long-Term Debt | -- | -- |
| 16 | Costs of Issuing Debt | -- | -- |
| 17 | Payments to Settle Long-Term Debt | (6,077) | (5,041) |
| 18 | Cash Proceeds from Issuing Stock or Capital Contributions | 734 | -- |
| 19 | Purchases of Treasury Stock | -- | -- |
| 20 | Payments of Dividends or Capital Withdrawals | (843) | -- |
| 21 | Repayment of Note Payable to Affiliate | -- | -- |
| 22 | | -- | -- |
| 23 | Net Cash Provided (Used) By Financing Activities | (6,186) | (5,041) |
| 24 | Net Increase (Decrease) in Cash and Cash Equivalents | 7,231 | 239 |
| 25 | Cash and Cash Equivalents at Beginning of Period | 23,175 | 23,325 |
| 26 | Cash and Cash Equivalents at End of Period | $30,406 | $23,564 |

| | | | |
|---|---|---|---|
| | CASH PAID DURING PERIOD FOR: | | |
| 27 | Interest (Net of Amount Capitalized) | $19,624 | $32,678 |
| 28 | Income Taxes | 263 | 263 |

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE TRUMP MARINA HOTEL · CASINO

# STATEMENTS OF CASH FLOWS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2005 and 2004

(UNAUDITED)
($ IN THOUSANDS)

| LINE (a) | DESCRIPTION (b) | 2005 (c) | 2004 (c) |
|---|---|---|---|
| | NET CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| 29 | Net Income (Loss) | ($66,977) | ($13,302) |
| | Noncash Items Included in Income and Cash Items Excluded from Income: | | |
| 30 | Depreciation and Amortization of Property and Equipment | 13,124 | 16,306 |
| 31 | Amortization of Other Assets | 111 | 1,500 |
| 32 | Amortization of Debt Discount or Premium | -- | -- |
| 33 | Deferred Income Taxes - Current | 860 | 852 |
| 34 | Deferred Income Taxes - Noncurrent | -- | -- |
| 35 | (Gain) Loss on Disposition of Property and Equipment | -- | -- |
| 36 | (Gain) Loss on Casino Reinvestment Obligations | 807 | 837 |
| 37 | (Gain) Loss from Other Investment Activities | 23,834 | -- |
| 38 | Net (Increase) Decrease in Receivables and Patrons' Checks | (836) | 475 |
| 39 | Net (Increase) Decrease in Inventories | 26 | 297 |
| 40 | Net (Increase) Decrease in Other Current Assets | (732) | (758) |
| 41 | Net (Increase) Decrease in Other Assets | 129 | (397) |
| 42 | Net Increase (Decrease) in Accounts Payable | 612 | 3,055 |
| 43 | Net Increase (Decrease) in Other Current Liabilities Excluding Debt | 6,151 | 665 |
| 44 | Net Increase (Decrease) in Other Noncurrent Liabilities. Excluding Debt | 570 | 1 |
| 45 | Provision for Losses on Receivables | 865 | 922 |
| 46 | Adjustments for fresh start accounting | 55,482 | -- |
| 47 | Net Cash Provided (Used) By Operating Activities | $34,026 | $10,453 |

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

| | | | |
|---|---|---|---|
| | ACQUISITION OF PROPERTY AND EQUIPMENT: | | |
| 48 | Additions to Property and Equipment | $21,562 | $8,653 |
| 49 | Less: Capital Lease Obligations Incurred | (3,376) | (5,992) |
| 50 | Cash Outflows for Property and Equipment | $18,186 | $2,661 |
| | ACQUISITION OF BUSINESS ENTITIES: | | |
| 51 | Property and Equipment Acquired | -- | -- |
| 52 | Goodwill Acquired | -- | -- |
| 53 | Net Assets Acquired Other than Cash, Goodwill, and Property and Equipment | -- | -- |
| 54 | Long-Term Debt Assumed | -- | -- |
| 55 | Issuance of Stock or Capital Invested | -- | -- |
| 56 | Cash Outflows To Acquire Business Entities | -- | -- |
| | STOCK ISSUED OR CAPITAL CONTRIBUTIONS: | | |
| 57 | Total Issuances of Stock or Capital Contributions | 734 | -- |
| 58 | Less: Issuances to Settle Long-Term Debt | -- | -- |
| 59 | Consideration in Acquisition of Business Entities | -- | -- |
| 60 | Cash Proceeds From Issuing Stock Or Capital Contributions | 734 | -- |

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE TRUMP MARINA HOTEL · CASINO

# SCHEDULE OF PROMOTIONAL EXPENSES AND ALLOWANCES

($ IN THOUSANDS)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2005

| | | PROMOTIONAL ALLOWANCES | | PROMOTIONAL EXPENSES | |
|---|---|---|---|---|---|
| Line (a) | (b) | Number of Recipients (c) | Dollar Amount (d) | Number of Recipients (e) | Dollar Amount (f) |
| 1 | Rooms | 131,653 | $9,183 | -- | -- |
| 2 | Food | 649,287 | 11,791 | -- | -- |
| 3 | Beverage | 1,026,176 | 4,362 | -- | -- |
| 4 | Travel | -- | -- | 12,359 | $2,139 |
| 5 | Bus Program Cash | 75,490 | 1,192 | -- | -- |
| 6 | Other Cash Complimentaries | 975,836 | 26,088 | -- | -- |
| 7 | Entertainment | 3,710 | 102 | 3,137 | 299 |
| 8 | Retail & Non-Cash Gifts | 25,182 | 630 | 311,810 | 5,280 |
| 9 | Parking | -- | -- | -- | -- |
| 10 | Other | 5,047 | 124 | 16,647 | 834 |
| 11 | Total | 2,892,381 | $53,472 | 343,953 | $8,552 |

FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2005

| | | PROMOTIONAL ALLOWANCES | | PROMOTIONAL EXPENSES | |
|---|---|---|---|---|---|
| Line (a) | (b) | Number of Recipients (c) | Dollar Amount (d) | Number of Recipients (e) | Dollar Amount (f) |
| 1 | Rooms | 46,047 | $3,214 | -- | -- |
| 2 | Food | 202,899 | 3,455 | -- | -- |
| 3 | Beverage | 341,087 | 1,450 | -- | -- |
| 4 | Travel | -- | -- | 4,492 | $809 |
| 5 | Bus Program Cash | 25,197 | 398 | -- | -- |
| 6 | Other Cash Complimentaries | 266,321 | 7,092 | -- | -- |
| 7 | Entertainment | 1,437 | 38 | 865 | 63 |
| 8 | Retail & Non-Cash Gifts | 8,175 | 205 | 109,809 | 2,016 |
| 9 | Parking | -- | -- | -- | -- |
| 10 | Other | 1,814 | 43 | 4,870 | 243 |
| 11 | Total | 892,977 | $15,895 | 120,036 | $3,131 |

Note: No complimentary service or item in the "Other" categories of Promotional Expenses or Promotional Allowances exceed 5% of that column's total.

# TRUMP MARINA ASSOCIATES, LLC
# NOTES TO FINANCIAL STATEMENTS
# SEPTEMBER 30, 2005
(unaudited)

## NOTE 1 - GENERAL

*Organization and Operations*

Trump Marina Associates, LLC, a New Jersey Limited Liability Corporation ("Marina Associates" or the "Company") is 100% beneficially owned by Trump Entertainment Resorts Holdings, LP (formerly known as Trump Hotels & Casino Resorts Holdings, LP ("THCR")), a Delaware Limited Partnership ("TER Holdings"). Trump Entertainment Resorts, Inc. (formerly known as Trump Hotels & Casino Resorts, Inc.), a Delaware corporation ("TER") currently beneficially owns an approximately 76.5% profits interest in TER Holdings, as both a general and limited partner, and Donald J. Trump ("Mr. Trump") owns directly and indirectly an approximately 23.5% profits interest in TER Holdings, as a limited partner. In addition, TER Holdings beneficially wholly owns:

- Trump Taj Mahal Associates, LLC ("Taj Associates"), which owns and operates the Trump Taj Mahal Casino Resort (the "Taj Mahal"), located at the north end of the Boardwalk in Atlantic City, New Jersey.

- Trump Plaza Associates, LLC ("Plaza Associates"), which owns and operates the Trump Plaza Hotel and Casino ("Trump Plaza"), located at the center of the Boardwalk in Atlantic City, New Jersey.

- Trump Indiana, Inc., which owns and operates a riverboat gaming facility at Buffington Harbor, on Lake Michigan in Gary, Indiana ("Trump Indiana").

Marina Associates owns and operates the Trump Marina Hotel Casino ("Trump Marina"), a casino hotel located in the marina district of Atlantic City, New Jersey (the "Marina District"). The primary portion of Trump Marina's revenues are derived from its gaming operations. Trump Marina, Trump Plaza and Taj Mahal are collectively referred to as the "Trump Atlantic City Properties."

For an organizational chart of TER and its subsidiaries, see Exhibit 99.2 to TER's Current Report on Form 8-K filed with the Securities and Exchange Commission (the "SEC") on May 26, 2005.

In the third quarter of 2005, TER Holdings executed a letter of intent with the Majestic Star Casinos, LLC ("Majestic Star") with respect to the potential sale of all of the issued and outstanding common stock of Trump Indiana. On November 3, 2005, TER Holdings entered into a Stock Purchase Agreement (the "Stock Purchase Agreement") with The Majestic Star Casino, LLC ("Majestic Star") for the purchase by Majestic Star of 100% of the equity securities of Trump Indiana. The Stock Purchase Agreement provides for a purchase price of $253 million, exclusive of debt and other long term obligations and subject to adjustments and customary representations and warranties, as specified in the Stock Purchase Agreement. After accounting for certain taxes, fees and other closing costs and expenses, the sale is anticipated to result in approximately $227 million in net proceeds to TER. The consummation of the transaction is conditioned on, among other things, obtaining customary regulatory approvals and the consent of TER's lenders under its $500 million credit facility, as well as approval under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended. TER expects, although no assurances can be given, that the transaction will be consummated by the end of the 2005 calendar year.

Subject to the foregoing, the accompanying financial statements have been prepared without audit. In the opinion of management, all adjustments, consisting of only normal recurring adjustments necessary to present fairly the financial position, the results of operations and cash flows for the periods presented, have been made.

The accompanying financial statements have been prepared pursuant to the rules and regulations of the Casino Control Commission of the State of New Jersey (the "CCC"). Accordingly, certain information and note disclosures normally included in financial statements prepared in conformity with accounting principles generally accepted in the United States have been condensed or omitted. These financial statements should be read in conjunction with the financial statements and notes thereto included in the Company's December 31, 2004 Quarterly Report as filed with the CCC.

**TRUMP MARINA ASSOCIATES, LLC**
**NOTES TO FINANCIAL STATEMENTS**
**SEPTEMBER 30, 2005**
(unaudited)

The casino industry in Atlantic City is seasonal in nature with the peak season being the spring and summer months. Therefore, results of operations for the three and nine months ended September 30, 2005 and 2004 are not necessarily indicative of the operating results for a full year.

**NOTE 2 - REORGANIZATION AND EMERGENCE FROM CHAPTER 11**

*Chapter 11 Reorganization*

On November 21, 2004, Trump Hotels & Casino Resorts, Inc. and certain of its subsidiaries (collectively, the "Debtors") filed voluntary petitions for relief under chapter 11 of the United States Bankruptcy Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the District of New Jersey (the "Bankruptcy Court"), as part of a pre-arranged plan of reorganization. While in bankruptcy, the Debtors continued to manage their properties and operate theirbusinesses as "debtors-in-possession" under the jurisdiction of the Bankruptcy Court.

On April 5, 2005, the Bankruptcy Court entered an order confirming the Second Amended Joint Plan of Reorganization, dated as of March 30, 2005, of the Debtors, as amended (the "Plan"). The Plan became effective on May 20, 2005 (the "Effective Date"), at which time all material conditions to the Plan were satisfied and the Debtors emerged from chapter 11.

For a summary of certain actions that occurred as of the Effective Date and the distributions that were made to holders of the Company's securities under the Plan, see TER's Current Report on Form 8-K, filed with the SEC on May 26, 2005.

*Basis of Presentation*

As described above, from the filing of the Debtors' chapter 11 petition to the Effective Date, TER and its subsidiaries operated as debtors-in-possession under the jurisdiction of the Bankruptcy Court. Accordingly, TER's consolidated financial statements for periods prior to its emergence from chapter 11 were prepared in accordance with the American Institute of Certified Public Accountants Statement of Position 90-7, "Financial Reporting by Entities in Reorganization under the Bankruptcy Code" ("SOP 90-7"). SOP 90-7 required TER to report pre-petition liabilities that were subject to compromise separately on its balance sheet at an estimate of the amount that would ultimately be allowed by the Bankruptcy Court. SOP 90-7 also required separate reporting of certain expenses relating to the Debtors' chapter 11 filings as reorganization items.

Upon its emergence from chapter 11, the Company adopted fresh-start reporting in accordance with SOP 90-7. Under fresh-start reporting, a new entity was deemed to have been created for financial reporting purposes and the recorded amounts of assets and liabilities were adjusted to reflect their estimated present values. The term, "Predecessor Company" refers to the Company for periods prior to and including May 19, 2005, and the term "Reorganized Company" refers to the Company for periods on and subsequent to May 20, 2005. As a result of the adoption of fresh-start reporting, the Company's post-emergence financial statements are generally not comparable with the financial statements of the Predecessor Company prior to its emergence from bankruptcy, including the historical financial statements included in this quarterly report.

*Financial Reporting Under the Bankruptcy Code*

From November 21, 2004 to May 19, 2005, the Company accounted for its operations under SOP 90-7. In accordance with SOP 90-7, certain expenses incurred and benefits realized by the Company during the bankruptcy period were recorded as reorganization expenses in the accompanying condensed consolidated statements of operations. In order to record its debt instruments at the amount of the claims expected to be allowed by the Bankruptcy Court in accordance with SOP 90-7, as of the chapter 11 petition date, the Company wrote off as reorganization expenses, its capitalized deferred financing fees associated with the TCH First Priority Mortgage Notes. Reorganization expenses include professional fees and other expenses directly associated with the bankruptcy process and the revaluation of assets and liabilities in accordance with the adoption of fresh start reporting.

The following table summarizes reorganization expenses for the nine months ended September 30, 2005:

| | Predecessor Company | Reorganized Company |
|---|---|---|
| Professional fees and expenses | $ 65,000 | $ 2,000 |
| Net fresh start reorganization loss | 42,029,000 | 0 |
| | $ 42,094,000 | $ 2,000 |

**NOTE 3 - FRESH START REPORTING**

The Company adopted fresh start reporting upon its emergence from chapter 11 on the Effective Date in accordance with SOP 90-7. The Company is required to apply the fresh start provisions of SOP 90-7 to its financial statements because it has concluded that (i) the reorganization value of the assets of the emerging entity immediately before the date of confirmation was less than the total of all post-petition liabilities and allowed claims and (ii) the holders of existing voting shares of THCR immediately before confirmation (i.e., the holders of shares of the common stock of THCR (the "Old Common Stock") that were issued and outstanding prior to the commencement of the chapter 11 proceedings) received less than 50 percent of the voting shares of the emerging entity. SOP 90-7 sets forth the principles regarding the date at which a company that has emerged from a chapter 11 proceeding should apply fresh start reporting to account for the effects of the plan of reorganization. Under SOP 90-7, application of fresh start reporting is required on the date on which the plan of reorganization is confirmed by a bankruptcy court, but SOP 90-7 further provides that fresh start reporting should not be applied until all material conditions are satisfied. All material conditions to the Plan were satisfied as of May 20, 2005.

Fresh start reporting requires that the Company adjust the historical cost of its assets and liabilities to their fair value as determined by the reorganization value of the Company as set forth in the Plan. Furthermore, the reorganization value must be allocated among the reorganized entity's net assets in conformity with procedures specified by Statement of Financial Accounting Standards ("SFAS") No. 141, "Business Combinations" ("SFAS 141"). The Company has engaged an independent appraiser to assist the Company in the allocation of reorganization value under the Plan to the Company's assets and liabilities. The Company used the independent appraiser's preliminary analysis and other information to make the allocations as of the Effective Date. The Company's intangibles include trademarks (including a perpetual, exclusive royalty-free license of the "Trump" name and certain derivatives thereof, subject to certain terms and conditions), customer relationships, and the excess of the reorganization value over the fair value of identified net assets. The Company has finalized the valuation and allocations of its assets and liabilities as of September 30, 2005.

Accordingly, the Company recorded as intangible assets at May 20, 2005:

| | Carrying Amount |
|---|---|
| Trademark License Agreement | $ 54,000,000 |
| Goodwill | 29,751,000 |
| Customer Relationships | 3,000,000 |
| | $ 86,751,000 |

Customer relationships are being amortized on a straight-line basis over a period of seven years. Therefore, $157,000 has been amortized for the period May 20, 2005 through September 30, 2005 and is included in depreciation and amortization in the accompanying statement of operations. The trademarks have an indefinite life; accordingly, trademarks are not subject to periodic amortization but are reviewed annually for impairment. The excess of reorganization value over the fair value of net assets acquired is reviewed annually for impairment.

## NOTE 4 - LONG-TERM DEBT

Long-term debt consists of the following:

| | September 30, 2005 | September 30, 2004 |
|---|---|---|
| Note Payable - TER and TER Funding 8.5% Senior Secured Notes, due 2015 (a) | $ 237,500,000 | $ — |
| TCH First Priority Notes (b) | — | 340,470,000 |
| Capital lease obligations (c) | 10,565,000 | 15,020,000 |
| Total debt | 248,065,000 | 355,490,000 |
| Less current maturities | 7,958,000 | 7,235,000 |
| Long-term debt | $ 240,107,000 | $ 348,255,000 |

(a) In May 2005, TER Holdings and TER Funding, Inc., a wholly owned subsidiary of TER ("TER Funding"), issued $1,250,000,000 principal amount of 8.50% First Mortgage Notes due June 1, 2015 (the "TER Notes"). Interest on the TER Notes is payable semi-annually each June 1 and December 1 commencing on May 20, 2005 and is initially payable December 1, 2005.

$730 million aggregate principal amount of the TER Notes are nonrecourse to the issuers and to the partners of TER Holdings (the "Qualified Portion"). $520 million aggregate principal amount of the TER Notes are recourse to the issuers and to TER, in its capacity as general partner of TER Holdings (the "Non-Qualified Portion"). The Non-Qualified Portion and Qualified Portion are recalculated on a periodic basis based on certain tax considerations no less frequently than annually, provided that in no event will the Qualified Portion exceed $730 million aggregate principal amount of the TER Notes.

All of the domestic subsidiaries of TER Holdings (except for TER Funding, as co-issuer of the TER Notes) (the "Guarantors") are guarantors of the Non-Qualified Portion, which are fully recourse and enforceable against the collateral securing the TER Notes. All of the Guarantors, with the exception of Trump Indiana, Inc., are guarantors of the Qualified Portion, which are nonrecourse and enforceable only against the collateral securing the TER Notes.

The TER Notes are senior obligations of the issuers and are guaranteed on a senior basis by the Guarantors, and rank senior in right of payment to the issuers' and Guarantors' future subordinated indebtedness. Notwithstanding the foregoing, because amounts borrowed under the Credit Agreement are secured by substantially all the assets of the issuers and the Guarantors on a priority basis, the TER Notes and the guarantees thereof are effectively subordinated to amounts borrowed under the Credit Agreement.

The TER Notes are secured by substantially all TER's real property and incidental personal property, subject to liens securing amounts borrowed under the Credit Agreement and certain permitted prior liens. The issuers and Guarantors of the TER Notes are subject to certain affirmative and negative covenants under the TER Notes indenture.

From the proceeds of the issuance of the TER Notes, TER loaned $237,500,000 to Marina Associates with interest at 8.50%, due June 1, 2015 with the same terms as the TER Notes.

(b) On March 25, 2003, Trump Casino Holdings, LLC ("TCH") and its wholly-owned subsidiary, Trump Casino Funding, Inc., consummated a private placement of two new issues of mortgage notes consisting of: (i) $425.0 million principal amount of TCH First Priority Notes, bearing interest at a rate of 11.625% per year payable in cash, sold at a price of 94.832% of their face amount for an effective yield of 12.75% and (ii) $50.0 million principal amount of TCH Second Priority Notes, bearing interest at a rate of 11.625% per year payable in cash, plus 6.0% through the issuance of payable-in-kind notes. In connection with the TCH Notes offering, Donald J. Trump purchased in a concurrent private offering, $15.0 million aggregate principal amount of additional TCH Second Priority Notes at the same purchase price at which the initial purchasers purchased such notes. On May 20, 2005, the TCH Notes were cancelled as a result of the transactions described in Note 2. Upon consummation of the Plan, the TCH Notes were exchanged for cash, New Notes and TER Common Stock (subject to an election mechanism whereby holders of TCH First Priority Notes could maximize the Cash or TER Common Stock received by such holders), as well as other consideration pursuant to the Plan. The difference between the carrying value of the TCH Notes and the value received in exchange has been recorded as a capital contribution on the Company's balance sheet for the period ended September 30, 2005.

(d) The Partnership has entered into various capital leases which are secured by the underlying real property or equipment. These leases mature on various dates during the years 2005 through 2009.

## NOTE 5 - TRANSACTIONS WITH AFFILIATES

At September 30, 2005 and 2004, amounts due to affiliates were $912,000 and $17,084,000, respectively. These amounts are included in other current liabilities in the attached balance sheets. The Partnership has engaged in limited intercompany transactions with TCH, TER, Trump Administration, a division of Taj Associates ("Trump Administration"), Taj Associates, Plaza Associates, THCR and Trump Indiana, all of which are affiliates of Trump.

Amounts due to (from) affiliates are as follows:

| | September 30, 2005 | September 30, 2004 |
|---|---|---|
| TCH | $ — | $ 14,285,000 |
| TER | — | — |
| Trump Administration | 1,114,000 | 2,843,000 |
| Taj Associates | (194,000) | (28,000) |
| Plaza Associates | (8,000) | (16,000) |
| THCR | — | — |
| Trump Indiana | — | — |
| Total | $ 912,000 | $ 17,084,000 |

*Trump Administration*

Trump Administration was formed for the purpose of realizing cost savings and operational synergies by consolidating certain administrative functions of, and providing certain services to Marina Associates, Plaza Associates, and Taj Associates. Charges from Trump Administration for the nine months ended September 30, 2005 and 2004 were approximately $2,526,000 and $2,806,000, respectively.

## NOTE 6 - COMMITMENTS & CONTINGENCIES

Legal Proceedings

*Chapter 11 Cases*

On November 21, 2004, the Debtors, filed voluntary petitions for relief in the Bankruptcy Court under chapter 11 of the Bankruptcy Code. As debtors-in-possession, the Debtors were authorized under chapter 11 to continue to operate their businesses while under the jurisdiction of the Bankruptcy Court. The Bankruptcy Court entered an order confirming the Plan on April 5, 2005, as amended. The Debtors emerged from bankruptcy on May 20, 2005. Although the Company has emerged from bankruptcy, the Company is still in the process of resolving various claims and other litigation in connection with the Plan, which may continue for the foreseeable future.

On July 18, 2005 the Bankruptcy Court considered a motion brought by persons alleging that they held shares of Old Common Stock on the record date for the Plan distributions (which shares they subsequently sold), but did not receive any distributions from THCR under the Plan, which they believe were wrongly made to others. The movants seek an order compelling TER to make Plan distributions to them. The Bankruptcy Court has requested additional briefing and ordered no further distributions under the Plan in respect of Old Common Stock until further order of the Bankruptcy Court. To comply with this request, the Company filed additional information with the Bankruptcy Court on October 12, 2005, and the Bankruptcy Court held a hearing with respect to the issue on October 8, 2005. At this time, the Company cannot predict the outcome of such litigation or its effect on the Company's business.

DLJ Merchant Banking Partners III, LP ("DLJMB") filed proofs of claims in the Debtors' chapter 11 cases (the "DLJMB Claims") in which DLJMB alleges that it is due in excess of $26 million for fees and expenses in connection with a proposed recapitalization of THCR that THCR had pursued in 2004. TER disputes the validity of the DLJMB Claims. On October 6, 2005, certain of the Debtors commenced proceedings in the Bankruptcy Court to seek, among other relief, entry of an order disallowing and expunging the DLJMB Claims. The parties have been in settlement discussions, and TER believes that an agreement to settle the DLJMB Claims will be reached, although no assurances can be given.

*401(k) Plan Participant Litigation*

On February 8, 2005, certain individuals filed a complaint in the United States District Court for the District of New Jersey, Camden Division, against certain persons and organizations that included members of the Trump Capital Accumulation Plan Administrative Committee. In their complaint, the plaintiffs, alleged, among other things, that such persons and organizations, who were responsible for managing the Trump Capital Accumulation Plan, breached their fiduciary duties owed to the plan participants when Old Common Stock held in employee accounts was allegedly sold without participant authorization if the participant did not willingly sell such shares by a specific date in accordance with the plan. The plaintiffs brought this suit under the Employee Retirement Income Security Act of 1974, as amended, on behalf of themselves and certain other plan participants and beneficiaries and sought to have the court certify their claims as a class action. In their complaint, the plaintiffs also sought, among other things, damages for losses suffered by certain accounts of affected plan participants as a result of such allegedly improper sale of Old Common Stock and reasonable costs and attorneys' fees. The parties have conducted limited discovery and have scheduled mediation hearings for early December 2005. If the parties are unable to resolve the matter through mediation, full discovery is anticipated to commence in January 2006. At this time, the Company cannot predict the outcome of such litigation or its effect on the Company's business.

*Other Litigation*

In addition to the foregoing, Marina Associates and certain of its employees are involved from time to time in various legal proceedings incidental to the Company's business. While any proceeding or litigation contains an element of uncertainty, management believes that the final outcomes of these matters are not likely to have a material adverse effect on the Company's results of operations or financial condition. In general, the Company has agreed to indemnify such persons, and its directors, against any and all losses, claims, damages, expenses (including reasonable costs, disbursements and counsel fees) and liabilities (including amounts paid or incurred in satisfaction of settlements, judgements, fines and penalties) incurred by them in said legal proceedings absent a showing of such persons' gross negligence or malfeasance.

## NOTE 7 - NJSEA SUBSIDY AGREEMENT

On April 12, 2004, the twelve Atlantic City casinos, including Marina Associates, executed an agreement (the "NJSEA Subsidy Agreement") with the New Jersey Sports & Exposition Authority ("NJSEA") and the Casino Reinvestment Development Authority ("CRDA"). The NJSEA Subsidy Agreement provides that the casinos, pro rata according to their gross revenues, shall: (1) pay $34 million to the NJSEA in cash in four yearly payments through October 15, 2007 and donate $52 million to the NJSEA from the regular payment of their CRDA obligations for use by the NJSEA through 2008 to enhance purses, fund breeders awards and establish account wagering at New Jersey horse racing tracks; and (2) donate $10 million from the regular payment of their CRDA obligations for use by the CRDA as grants to such other North Jersey projects as the CRDA shall determine. The donation of $62 million of CRDA obligations is conditioned upon the timely enactment and funding of the Casino Expansion Fund Act, which was enacted effective August 25, 2004 and established the Atlantic City Expansion Fund. The Casino Expansion Fund Act further identifies the casino hotel room occupancy fee as its funding source and directs the CRDA to provide the fund with $62 million and make that amount available, on a pro rata basis, to each casino licensee for investment. By statute, as amended as of January 26, 2005, such funds shall be invested in eligible projects in Atlantic City which, ifapproved by the CRDA by August 25, 2006, add hotel rooms, retail, dining or non-gaming entertainment venues or other non-gaming amenities including, in certain circumstances, parking spaces or, if approved thereafter, additional hotel rooms. Marina Associates has estimated its portion of the industry obligation at approximately 5.5%.

The NJSEA Subsidy Agreement further provides for a moratorium until January 2009 on the "conduct" ofcasino gaming at any New Jersey racetrack (unless casinos controlling a majority of the hotel rooms operated by the casinos in Atlantic City otherwise agree), and a moratorium until January 2006 on the introduction of casino gaming at any New Jersey racetrack. Violation of the moratorium terminates the NJSEA Subsidy Agreement and all further payment obligations to the NJSEA and requires the NJSEA to return all undistributed cash to the casinos and the CRDA to return all undistributed donated investment alternative tax obligation payments to the casinos.

## NOTE 8 - INCOME TAXES

*Federal Income Tax Examination*

The Company is currently involved in examinations with the IRS concerning their federal partnership income tax returns for the tax years 2002 and 2003. While any adjustments resulting from this examination could affect their specific state income tax returns, the Company does not believe that adjustments, if any, will have a material adverse effect on their financial condition or results of operations.

On July 3, 2002, the State of New Jersey passed the New Jersey Business Tax Reform Act (the "Act"). This Act, among other things, required a two-year suspension of the use of New Jersey NOL carry forwards for 2002 and 2003 and a two-year New Jersey NOL carryforward limitation (limited to 50% of taxable income) for 2004 and 2005. The Act also introduced a new alternative minimum assessment amount under the New Jersey corporate business tax based on either gross receipts or gross profits, as defined. The Act was retroactive to January 1, 2002.

On July 1, 2003, the New Jersey legislature passed a law that increased the taxation of New Jersey casinos. The new law imposes, among other taxes, a New Jersey profits tax based on 7.5% of each casino's 2002 adjusted net income (defined as net income plus management fees) subject to a minimum annual tax of $350,000. The tax is assessed during the period from July 1 to June 30, to be consistent with the fiscal year of the State of New Jersey. The legislation also imposes a 4.25% tax on complimentaries (i.e. free rooms, food, beverages and entertainment given to patrons), an increase in the hoteltax of $3.00 per day on each occupied room, and increases the parking fee tax from $1.50 to $3.00 per car per day.

## NOTE 9 - NON-OPERATING INCOME (EXPENSE)

Non-operating income (expense) for the nine months ended September 30, 2005 and 2004 consists of:

| | 2005 | 2004 |
|---|---|---|
| Interest income | $ 396,000 | $ 117,000 |
| Gain/(loss) on sale of assets | 13,000 | — |
| Reorganization expenses | (42,096,000) | — |
| | $ (41,687,000) | $ 117,000 |

# TRUMP MARINA ASSOCIATES, LLC
# NOTES TO FINANCIAL STATEMENTS
# SEPTEMBER 30, 2005
(unaudited)

## NOTE 10 - EXTRAORDINARY ITEMS

The Company recorded a loss in the amount of $23,834,000 as a result of the cancellation of the TCH First Priority Notes. See Notes 2, 3 and 4 for additional information.

## NOTE 11 - PARTNER'S / PROPRIETOR'S CAPITAL

*Capital Contributions*

As a result of the transactions described in Notes 2, 3 and 4, Marina Associates recorded on May 19, 2005 the following transactions as capital contributions:

| | | |
|---|---|---|
| Allocation portion of deferred financing costs on the TER Notes | $ | 2,456,000 |
| Allocation of a trademark intangible asset | | 8,838,000 |
| Intercompany write-offs | | 35,739,000 |
| Net gain resulting from reorganization of debt and equity | | 102,970,000 |
| Net loss on extinguishment of debt | | 23,834,000 |
| | $ | 173,837,000 |

# STATEMENT OF CONFORMITY, ACCURACY AND COMPLIANCE

Daniel McFadden, being duly sworn according to law upon my oath deposes and says:

1. I have examined this Quarterly Report.

2. All the information contained in this Quarterly Report has been prepared in conformity with the Casino Control Commission's Quarterly Report Instructions and Uniform Chart of Accounts.

3. To the best of my knowledge and belief, the information contained in this report is accurate.

4. To the best of my knowledge and belief, except for the deficiencies noted below, the licensee submitting this Quarterly Report has remained in compliance with the financial stability regulations contained in N.J.A.C. 19:43-4.2(b)1-5 during the quarter.

Subscribed and sworn to before me this 14th day of November, 2005

Signature

Senior Vice President of Finance
Title

1015-11
License Number

On Behalf Of:

Trump Marina Associates, LLC
Casino Licensee